

Introduced by Senator Runner

February 23, 2006

An act to add Section 84761 to the Education Code, relating to community colleges, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 1566, as introduced, Runner. Community colleges: equalization funding.

(1) Existing law establishes the California Community Colleges under the administration of the Board of Governors of the California Community Colleges. Existing law authorizes the establishment of community college districts under the administration of community college governing boards, and authorizes these districts to provide instruction at community college campuses throughout the state. Existing law establishes a system for the apportionment of state funding to community college districts. This system is generally based on calculations related to the number of full-time equivalent students (FTES) in attendance at each district.

Existing law requires funds appropriated in the Budget Act for the purpose of equalizing the apportionments paid to the various community college districts to be allocated in accordance with specified calculations.

This bill would express a finding and declaration of the Legislature that the amount appropriated in the Budget Act of 2006 for equalization of community college apportionments shall complete the Legislature's goal of eliminating disparities in the amount of funding per credit full-time equivalent student (FTES) pursuant to the provision of existing law that determines the calculations to be made with respect to the apportionments of the equalization funding. The

bill would revise these calculations, for purposes of allocating the increment of equalization funding provided in the Budget Act of 2006, to make adjustments for the equalization funding provided in the Budget Act of 2005.

The bill would authorize the Chancellor of the California Community Colleges to prorate the allocation of each district if he or she determines that the equalization funding provided in the Budget Act of 2006 is insufficient to fully fund per-credit FTES adjustments as specified in the formula set forth in this bill.

The bill would authorize the board of governors to develop, through the adoption of regulations, revised allocation methodologies for future increases in enrollment growth funding and cost-of-living adjustments, as well as a method for calculating declines in enrollment, in a manner that preserves the equalization goals of the provision of existing law that determines the calculations to be made with respect to the apportionments of the equalization funding. The bill would authorize the chancellor to promulgate regulations on an emergency basis to the extent that he or she deems it necessary to implement any regulations adopted, as specified above, by the board of governors.

(2) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 84761 is added to the Education Code,
2 to read:
3 84761. (a) The Legislature finds and declares that the amount
4 appropriated in the Budget Act of 2006 for equalization of
5 community college apportionments shall complete the
6 Legislature's goal of eliminating disparities in the amount of
7 funding per credit full-time equivalent student (FTES) pursuant
8 to Section 84760.
9 (b) Notwithstanding Section 84760, for purposes of allocating
10 the final increment of equalization funding provided in the
11 Budget Act of 2006, the chancellor shall allocate funds in a
12 manner that is consistent with the methodology provided for in
13 subdivisions (a), (b), and (c) of Section 84760, as updated for the

1 base funding per credit FTES for the 2005–06 fiscal year and
2 base credit revenue levels, including adjustments for thirty
3 million dollars (\$30,000,000) in equalization funding provided in
4 the Budget Act of 2005.

5 (c) If the chancellor determines that the equalization funding
6 provided in the Budget Act of 2006 is insufficient to fully fund
7 per credit FTES adjustments as specified by the formula set forth
8 in subdivision (b), the chancellor shall prorate the allocation of
9 each district.

10 (d) Notwithstanding any other provision of law, the board of
11 governors shall develop, through the adoption of regulations,
12 revised allocation methodologies for future increases in
13 enrollment growth funding and cost-of-living adjustments, as
14 well as a method for calculating declines in enrollment, in a
15 manner that preserves the equalization goals of Section 84760.

16 (e) The chancellor may promulgate regulations on an
17 emergency basis to the extent that he or she deems it necessary to
18 implement any regulations adopted by the board of governors
19 pursuant to subdivision (d), so that these will apply to growth
20 funding, cost-of-living adjustments, and declines in enrollment
21 that are applicable to the 2006–07 fiscal year.

22 SEC. 2. This act is an urgency statute necessary for the
23 immediate preservation of the public peace, health, or safety
24 within the meaning of Article IV of the Constitution and shall go
25 into immediate effect. The facts constituting the necessity are:

26 In order to allocate funds appropriated in the Budget Act of
27 2006 for equalization of community college funding at the
28 commencement of the 2006–07 academic year, it is necessary for
29 this act to take effect immediately.